App. F. IX-4

1933-4 (C.S.)

File No. 34-33

Serial Nos. 1-2.

Previous References

C. 1926-30 (1-6)
" 82-26 (1-2)
" 11-28 (1-4)

Later References

" dep. 26-32
C.S. 34-33 (3-13, 17)
C.S 34-33 .. (20-27)
C.S. 34-33 (18, 16, 18, 19)
C.S 34-33 (9-11, 17)
C.S. 34-33 (25-29)
" 34-33 (15-17)

Serial Nos. Two

PRESENTED

General and Revenue Secretariat.

Part B for Department

SUBJECT.

Provision of financial facilities to House-building Societies.

D 2944 & 19.12.33

to Regr. C.S.

States that the matter will be considered if the Apex bank applies for a loan

Serial No.

1 From the Registrar Co-op. Societies
No 1859 C.S. dt 12/9/33
Forwards copies of three Resolutions passed at the 19th Mysore Prov. Co-op. Conference on financial facilities to H.B. Societies with his recommendations thereon.

Resolution IV prays that Govt. in conjunction with the Apex Bank do lend to H.B. Societies at not more than 6 per cent & that the period of repayments be fixed at not less than 15 years in either case. The Registrar recommends the resolution for the favourable consideration of Govt. & requests that a lakh of rupees may be provided in the budget under Loans to C.S. for lending to the Apex Bank for financing H.B. Societies with the stipulation that the Bank should not charge more than ½% over the rate charged by Govt to the Bank.

Part I for orders

Resolution V requests that Govt. may authorise Dt. Boards to invest their surplus funds in H.B. Societies through the Apex Bank. The Registrar does not recommend the prayer, except in the case of well-established H.B. Societies like the Bangalore City Corporation Housing Society Ltd.

Part II for orders

3 Resolution VI requests Govt. to authorise the Municipalities to make grants of large areas of unoccupied lands to the H.B. Societies. The Registrar points out that

NOTE.—Contd. Sheet.

Provision of Financial facilities to Housebuilding Societies

C.S File No. 34 of 1933 | General and Revenue Secretariat

orders are already in existence under that municipalities should help H.B. Societies in regard to the acquisition of sites for them & grant them special concessions. And recommends that it would be enough if the orders are reiterated.

Point 3 worthy

4 Submitted for order

16/9

(1) In re. the budget provision of 1 lakh of rupees under loans to C.S recommended by the Registrar, much depends upon the present financial situation. The Finl Secy may be consulted in the matter.

(2) On the 2nd point the Registrar says that there is no need for extending the G.O. of June 1927 to the House-building Societies if his recommendation on point (1) be accepted by Govt.

Z

(3) In re. the 3rd point, the attention of the ~~local boards~~ Municipalities may be drawn to the Para 11 of G.O. of Mar. 1925

D

Dev: Secy)

16/9

to Finl Secretary.

Asst. 17.9.33.

18/9

H 831/18-9-33 MLL

Serial No.

If 831

7 (1) The Budget provision has to be fixed every year with reference to (i) the demands against the Treasury and (ii) the availability of funds. A general order fixing the annual allotment cannot be passed especially when we are passing through difficult days.

8 (2) I agree with the Registrar. Investment in specific Societies may be permitted after examination of the financial position of the respective societies.

AS
12.10.33

8 12/10/33

9 As regards 2 if any of the local bodies are desirous of depositing their funds in such societies provided their financial position is quite sound there need be no objection. But I doubt the practical effect of a general order in the matter.

10 As regards the 3rd. resolution Govt. have already issued orders directing Municipalities to render all facilities. No further action appears to be called for.

First Member. MM.
16.10.33

~~2 Ahmed Mitha 6~~

11 2nd No (1) is the important question. What progress has been made on the lines of the current year's grant for loans to housebuilding societies — what is the situation as regards renewals? Is any loan sanctioned?

by
19/10 MM. 19.10.33. 7(10)8)

OF THE COUNCIL 2919

NOTE—Contn. Sheet.

WD 70—GBPM—50,000—13-8-31

Financial facilities to Housebuilding Societies

CS File No 84 of 1933. | General and Revenue Secretariat

~~12/ Draft enquiry ordd~~

~~12~~ 13 ~~200~~ 209 U.O. No. 25 dt 24.10.33 forwarded with Compliments to the Comptroller to Government for favour of furnishing the information called for in para 11 supra.

By order

Bangalore dated 23rd Oct 1933

Gudlikarjunaiah
Jr Secretary to Government
Development Department

U.O. No 94/H.&D dt 30.11.33.

-Returned with compliments.

2. No separate provision is made in the Budget for loans to be granted to House Building Cooperative Societies. The provision under "28(c) Loans ~~to~~ Cooperative Societies" is general for grant of loans to all societies to be operated upon by the Registrar of Cooperative Societies according to requirements of the institutions applying for loans.

3. A statement showing the provision made thereunder and the loans drawn during the last 5 years is furnished below. The large variations in the figures ~~furnished~~ provided for the two years 1928-29 and 1929-30 and the amounts drawn are due to the inclusion of Rupees one lakh in each of these years for the loan granted to the Provincial Cooperative Apex Bank, but not drawn till 1930-31.

Ref. to CS
CS 26-30-11-6
CS 82-6
CS 11-28
CS 128-
CS 24 26-32

COMPTROLLER'S OFFICE BANGALORE

General and Revenue Secretariat | GS File No. 34 of 1933 :

Serial No.	In the year	Provision made was	Loans drawn
	1928-29	Rs. 1,50,000	Rs. 38,711
	1929-30	1,50,000	47,711
	1930-31	1,85,000	1,63,472
	1931-32	40,000	27,375
	1932-33	47,900	35,000

4. The information required in regard to recoveries effected is furnished below :-

Loan sanctioned	Repayment towards principal	Balance due	Amount overdue principal	Interest
2,88,377-8-0	1,08,795-9-1	1,79,581-14-11	12,113-6-4	828-3-8

M. Venkatesalyengar
Comptroller.
1/12/33

OFFICE OF THE FIRST MEMBER OF COUNCIL 1933 No. 4344

First Member

cwm 3.12.33 C/100 4/12

Regd. may be informed that the question of granting A Class to the Surat Co-operative Bank and the Apex Bank financing loans to housebuilding societies will be considered if there is an application for such loan from the Apex Bank.

by 8/12

Draft noted

cwm 11.12.33 C/100 11/12

MB 11/12

Issue C/100 15/12

TYPING SF 15 ENL. & REV. SECT

2 To. The Registrar of Co. Societies, No. 2947 & 19.12.33

Shall the matter will be considered if the Bank applies for a loan

Note—Contn. Sheet.

G.S. 34-33-1 (1

No. 1859-C & Co 1

TELEGRAPHIC ADDRESS: "CO-OPERT" BANGALORE

DEPARTMENT OF CO-OPERATION

GOVERNMENT OF MYSORE.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE,

Dated, Bangalore, 12th September 193 3.

GEN. SEC. 1084 15 SEP. 1933 DEVELOPMENT BRANCH.

DEVELOPMENT SECTION 12 SEP. 1933

From

K. H. RAMAYYA, ESQ., B.A., BAR-AT-LAW,
REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE,
BANGALORE.

To

S.Abdul Wajid, Esq., B.A.,
Secretary to the Government of Mysore,
Development Department, Bangalore.

Sir,

I have the honour to forward, herewith, copies of Resolutions passed at the 19th Mysore Provincial Co-operative Conference held at Mysore during October 1932 re: the provision of financial facilities to House-Building Societies for the development of their business and to state as follows:-

The first resolution urges the grant of loans to House-building societies at 6% interest repayable in not less than 15 years for - financing the people for house-building purposes. In this connection, I may state that Government had sanctioned a loan of one lakh of rupees and a cash credit of another lakh to the Apex Bank in their Order No. D.11283-92/C.S.128-25-8 dated 22nd June 1927 at 5% interest, repayable in 15 annual instalments.(vide G.O.No.D.3894-5/C.S.11-28-4 dated 3rd October 1928). As however the Bank did not utilise the cash credit, Government were pleased in their Order No.D.1066/C.S.26-30-6 dated 15th/17th August 1931 to treat the cash credit as cancelled. The Bank drew the loan in June 1931 and has so far repaid two instalments. - Government have also sanctioned loans directly to some house-building societies as noted in below:-

Name of Society.	Amount. Rs.	Rate of interest.	Period of repayment.
1. Nanjangud House-Building Society.	30,975/-	4%	20 half-yearly instalments.
	9,025/-	6%	do.
	50,000/-	7%	do.
	90,000		

P.T.O.

	Amount. Rs.	Rate of interest.	Period of repayment
2.Shimoga House-Building Society.	49,050/-	4%	20 half-yearly instalments.
	10,950	6%	do.
	21,700	4%	do.
	8,300	6%	do.
	90,000		
3.T-Narsipur House-building Society.	20,000	4%	do.
4.Talkad do.	10,000	4%	do.
5.Yedtore New Town do.	30,000	4%	do.
	20,000	5½%	do.
	20,000	5½ %	do.
6.Ramanathpur do.	5,000	4%	do.
7.Mandya do.	10,000	6%	Repayable in 15 annual instalments.
	2,95,000/-		

These facilities have however, been quite inadequate and many House-Building societies have not been able to get the required financial assistance either from the Government or the Apex Bank or from other sources. The progress of the house-building societies, for example, those at Bangalore, Mandya, Tumkur, Madhugiri, Hassan etc., has been greatly hampered by the want of financial assistance on favourable and convenient terms. I recommend the first of the above resolutions therefore for the favourable consideration of Government and request that a sum of Rs.1,00,000/- may be provided in the budget estimates under loans to Co-operative Societies for being lent to the Apex Bank for financing House-Building Societies with the stipulation that the rate of interest charged by the Bank to the societies should not be more than half percent over the rate charged by Government to the Bank.

The Second Resolution is with regard to the investment of funds of the District Boards in House-Building Societies of established stability. Government have in their order No.D.10897-918/C.S.82-26-4 dated 7th June 1927 been pleased to direct that they have no objection to the Local Bodies and Trust and Muzrai Institutions depositing their surplus funds at current rate of interest in the Apex Bank, if the administrations concerned, choose to adopt such a course. There seems to be no real need for extending this order to the House-Building Societies, if the financial assistance recommended above could be granted by Government, though in the case of well-established House-

House-building Societies, like the Bangalore City Co-operative Housing Society,Ltd., an exception may perhaps be made.

The next resolution relates to the grant of larger areas of building land to House-Building Co-operative Societies. Government have already in para 11 of their Order No.I.C.6492-6563/C.S.34-24-11 dated 30th March 1925, directed that the Municipalities should help House-building societies in regard to the acquisition of sites for them and make use of them as active agencies for town improvement by giving special concessions to the extent possible. The said order of Government may be reiterated and the Municipalities directed to render active help to House-Building Societies in the direction of building sites.

I have the honour to be,
Sir,
Your most obedient servant,

H H Ramaya
Registrar.

11/9.

DEPARTMENT OF CO-OPERATION. (4

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES
IN MYSORE.

Resolutions passed at the 19th Mysore Provincial Co-operative Conference held at Mysore during October 1932.

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Resolution No.IV.

"That this Conference regrets to state that, in spite of repeated representations and reasonable expectations, no relief has been granted to House-Building Societies which are labouring under difficulties. The Conference prays that Government in conjunction with the Apex Bank do lend to the House-Building Societies at not more than 6 per cent and that the period of repayments be fixed at not less than 15 years in either case."

****

Resolution No.V.

"That this Conference respectfully requests the Government to authorise the various District Boards in the State to invest through the Apex Bank their surplus funds in Housing Societies of established stability for not less than 15 years."

Resolution No.VI.

"That this Conference requests the Government, the City Municipalities and Town Municipalities to allot a large available area to the respective Housing Societies in their jurisdiction to enable the Societies to building houses and transfer the same to intending purchasers on the hire-purchase system."

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" Copies "

T.H.Ramayya

Registrar.

Appendix F G—1]

(2)

5

SUBJECT.....

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Section C5

File No. 34-33

Serial No. 2

Diary No. of letter replied to.....

No. D 2947

To

The Regr of Cs.

Sir,

With refce to your letter No 1859 Cs. & 12/9/33, forwdg with your recommendations, copies of three Resolutions passed at the 7th Mysore Provl Cooperative Conference on the financial facilities to be afforded to house building Cooperative Societies, I am directed to inform you that the question of providing Rs 1 Lakh in the budget for being lent to the Apex Bank towards loans to house building societies will be considered if there is an application for such loan from the Apex Bank

Yours

C/C 15/12

General and Revenue Secretariat

( )

the 193 .

Date of issue 13.12.33

Signed by Asst. Secy. Mallikarjunaiah

List of enclosures.....

Copied by.....

Examined by.....

WD 0253—GPB—15,000—26-8-32